

DOCKET SECTION

BEFORE THE
POSTAL RATE COMMISSION
WASHINGTON, D.C. 20268-0001

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POSTAL RATE AND FEE CHANGES, 1997

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Docket No. R97-1

RESPONSES OF NATIONAL NEWSPAPER ASSOCIATION
WITNESS HEATH TO USPS INTERROGATORIES AND
REQUESTS FOR PRODUCTION OF DOCUMENTS
(USPS/NNA-T1-1-49)

The National Newspaper Association ("NNA") hereby provides the responses of NNA Witness Heath to the following interrogatories of the United States Postal Service: USPS/NNA-T1-1-49.

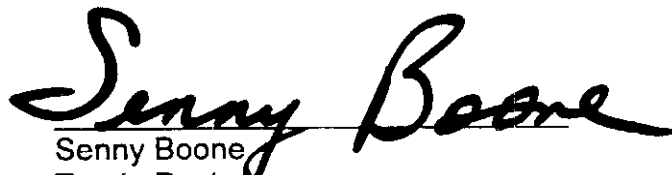
NNA and its witness do not possess responses to a number of questions posed. Pursuant to Special Rule 2A, NNA has reached an agreement with the Postal Service that the following responses will be deemed adequate subject to the Postal Service's right to conduct follow up examination within the scope of the initial interrogatories.

Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,

NATIONAL NEWSPAPER ASSOCIATION

By its attorneys:


Senny Boone
Tonda Rush

USPS/NNA-T1-1. What is your background in the field of statistics? Please specify any training or courses you have completed in this area.

RESPONSE.

I am not a statistician. My background is in circulation and editorial management of newspapers.

USPS/NNA-T1-2. At page 2, lines 18-19 of your testimony, you state that NNA has a "membership o nearly 4,000 titles." What is NNA's membership in terms of number of publishers?

RESPONSE.

One thousand, nine hundred and twenty-five (1,925) as of Feb. 3, 1998.

USPS/NNA-T1-3. How do you define a "typical NNA member newspaper," as you use the phrase on page 3, lines 2-3, of your testimony, given the wide variety in your membership's publication characteristics?

- a. How many of your member publications fit within your definition of the "typical NNA member newspaper?"
- b. Please provide all calculations and assumptions used in producing the number you provided in subpart a.

RESPONSE: A typical NNA member newspaper is a weekly newspaper with a circulation between 1,000 and 5,000. A list of numbers of titles within NNA membership, ranked by circulation size, is attached as Attachment 1.

- a. Approximately 1,847.
- b. The list attached will explain how I arrived at this number. To derive the list, I asked the NNA database administrator to sort the newspapers by circulation size.

USPS/NNA-T1-4. At page 4, lines 3-4, of your testimony, you state that daily newspapers rely upon the Postal Service's Periodicals delivery for "subscribers in outer markets or in distant cities."

- a. Please define the terms "outer markets" and "distant cities" as you use them in this portion of your testimony.
- b. For the base year in this proceeding, please provide an estimate of the daily newspaper volume sent to "outer markets" and "distant cities," as you define these areas in part a.
- c. or the base year in this proceeding, please provide an estimate of the daily newspaper volume sent to "outer markets" and "distant cities" that is sent as Periodicals class.
- d. For the base year in this proceeding, please explain how you derive the estimated volumes you provide in subparts a. and b., and provide associated formulas.
- e. For the base year in this proceeding, please provide a plus/minus 1 estimated standard error of the estimated proportion of the volume figure you provide in subpart c. to the volume figure you provide in subpart b.
- f. If you cannot provide a response to any of the above subparts, please explain why you cannot.

RESPONSE.

- a. I consider "outer markets" to be the retail trade zone or the area from which a local business might derive customers. For postal purposes, this would be roughly equivalent to an SCF zone. For "distant cities" I mean the cities outside this retail trade zone.
- b. I do not have information on this amount of this volume, but in my experience, this volume would equate to less than 10 percent of circulation for most daily newspapers.
- c. See my response to b. I cannot quantify the mail within this class of newspaper subscriber, but in my experience, most if not all of those copies would be sent through Periodicals class mail.
- d. See my response to b.
- e. See my response to b.
- f. My information derives from NNA member records. The association does not track member mail usage on a per-member basis.

USPS/NNA-T1-5. At page 4, lines 9-10 of your testimony, you state that "weekly newspapers remain heavy users of mail delivery." For the base year:

- a. Please provide estimates of total weekly newspaper volume and of the total weekly newspaper volume traveling through the mail (i.e., delivered by the USPS), that you feel support this statement.
- b. Explain how the estimated volumes in part a. were derived, and provide all associated formulas.
- c. Please provide a plus/minus 1 estimated standard error of the estimated proportion that would result from dividing the weekly volume of newspapers traveling through the mail (calculated in part a., above by the total weekly newspaper volume (also provided in part a., above).)
- d. If you cannot provide a response to any of the subparts in this question, please explain why not.

RESPONSE.

- a. NNA does not track member mail usage on a per-member basis. However, I am providing as an attachment to my response a spreadsheet from a survey of NNA members taken in 1995. See Attachment 2. That survey, which was produced from 836 responses out of NNA's membership at the time of approximately 3,800 newspapers, indicates that these respondents use second-class mail for about 36% of their distribution. However, in

my personal experience, I have found that the smaller the newspaper, the more likely it is to be even more heavily reliant upon the mail. We were unable to determine from this survey whether our 836 respondents were typical of our membership. The survey was designed for policy guidance, rather than to quantify mail usage. I provide it in response to these questions because it represents the only attempt at quantification conducted by the association during my service on the postal committee.

- b. We have no estimates of total mail volumes. The estimates provided from the survey described in part a. are from a simple census of 836 respondents.
- c. We did not calculate the total volumes, therefore, we cannot provide a standard error calculation.
- d. Please see my response to part a.

USPS/NNA-T1-6. Please refer to the mail user's survey that you discuss in your testimony beginning at page 11.

- a. Please provide a copy of the survey forms sent to each NNA member. If more than one form was used, please provide a copy of each type of form.
- b. Please provide copies of any survey instructions given to the respondents, or a summary of any instructions given orally.
- c. Your testimony states, at page 11, line 8, that survey responses were sent to NNA's headquarters and your office. Were certain respondents instructed to respond to each location, or were they given the choice of where to respond? Please explain your response.
- d. What studies were conducted to support your statement that the non-respondent group to the 1995 study were representative of the respondent group with respect to the percentage of copies that were within county circulation? Please provide the results of any such studies and all supporting documentation.
- e. Please fully describe and provide the surveys similar to the one you discuss beginning at page 11 of your testimony, that NNA has conducted or relied upon in the past. If you cannot provide such information, please explain fully why you cannot.

RESPONSE.

- a. One copy is attached as Attachment 3.
- b. A copy of the cover letter for the survey form is attached as Attachment 4. These were the only instructions except for those on the survey form itself.
- c. Respondents were directed to send responses directly to me. Some sent their responses to NNA headquarters and those were forwarded to me.
- d. NNA did not attempt to determine whether non-respondents were representative of any larger population, either of NNA members or of total newspapers. My personal experience indicates to me, for example, that the 22 percent usage of within county mail is probably low. Small newspapers use within county mail more heavily, I believe, and larger weeklies may not have responded to the survey at all, since a number of them are not members of NNA. The purpose of the survey was to provide policy guidance to NNA's Postal Committee, and not to describe industry mailing practices. However, as stated in question a., these data are being provided because they represent the only quantifiable data available to me as I prepared my testimony. Most of my testimony is based upon my own experience as a consultant to my own and others' newspapers, however, and not upon data in this survey.

- e. To my knowledge, the survey data provided in response to this interrogatory represents the only postal survey NNA had conducted of its members during my 10-year service on the postal committee prior to the filing of this case.

USPS/NNA-T1-7. You state, at page 11, line 13 of your testimony, that the “[c]irculations represented by these respondents totaled about 7.2 million copies.” Does this 7.2 million figure represent an average calculated at some point in 1995, the total number of copies for the 1995 calendar year, or some other number? Please explain fully. If this figure represents a circulation number at a particular point in time, please specify the time period.

RESPONSE.

The calculations are taken as of the date of the responses, which were roughly from January, 1995, to April, 1995.

USPS/NNA-T1-8. Your testimony, at page 11, line 15, states that "22 percent of the total was within county circulation."

- a. Of these 22 percent, how many of these publications' copies were actually delivered by the Postal Service?
- b. Please provide similar statistics for the past five years, or explain fully why you cannot.

RESPONSE.

- a. I assume all copies entered as within county mail were delivered by the Postal Service at some point, or were returned as undeliverable.
- b. I am not sure I understand the intent of this question. I have no information to provide.

USPS/NNA-T1-9. Throughout your testimony, you refer to the numbers of copies of publications. Do you use the term "copies" as synonymous with the term "pieces?" If your response is other than an unqualified yes, please explain fully.

RESPONSE.

Yes.

USPS/NNA-T1-10. At page 12, lines 17-20 of your testimony, you describe the derivation of total circulation data of NNA members.

- a. Please specify the time period indicated by term, "the early years," at page 12, line 17.
- b. How often are the circulation figures for non-members' newspapers added, as described at lines 19-20?
- c. How often are your members' circulation figures updated?
- d. Please describe fully what you mean by "footnoting" your data, as you use the term at page 13, line 4 of your testimony.

RESPONSE.

- a. My information about NNA's circulation data begins with 1992, when an update of the NNA member/non-member database was undertaken.
- b. At the point of the 1992-1993 updates, a mass of records were updated within one relatively short period. This update appears to have followed a period of inattention to the non-member records, but I have no personal knowledge of the period involved before 1992. Since that one-time update, NNA has maintained a practice of updating its non-member records at least annually.
- c. At least annually, as annual dues statements are based upon circulation.

- d. Please see attached a photocopy of the excerpt from Facts About Newspapers booklet mentioned in my testimony as Attachment 5. A footnote to explain the break in data continuity resulting from the 1992-93 update is included in this version as footnote 2.

USPS/NNA-T1-11. Please describe fully the adjustments that you make to your data for the usage of within county mail "by any substantial numbers of city business publications, newsletters, city magazines and so forth," as you discuss at page 13, lines 10-12 of your testimony.

RESPONSE.

I am unable to quantify the within county mail use by these publications. To my knowledge, neither USPS nor NNA know these numbers, but my experience in the industry tells me these publications do exist and they do use within county mail. Certainly, a magazine or newsletter with sufficient within county circulation to be eligible for preferred rates would use those rates as opposed to regular periodical rates.

USPS/NNA-T1-12. At page 15, line 13 of your testimony, you describe "the Postal Service's determination not to release data it considers identifiable by mailers."

- a. Please indicate where, on the record of this proceeding, NNA has sought such information.
- b. Please indicate where, on the record of this proceeding, the Postal Service has denied to NNA volume information for within county mail.

RESPONSE.

- a. NNA has not sought this information in Docket R97-1, but we engaged in a costly motion practice in R94-1 when we sought volume information broken down by post office so that we could check those numbers against random selections of our members. We learned during that time that USPS considered the post office data, as well as mailer statement data, to be proprietary. We also have learned from past communications with the Postal Service that mailers' statements are considered proprietary outside the context of rate cases. I provide as an attachment a copy of a letter from the Postal Service Ethics and Information Law department which so states. See Attachment 6. Given the adamancy of the USPS position, it makes no sense for a small party like NNA to

devote its scarce resources to request information that we believe would be denied.

- b. Please see my response to question a above. NNA uses RPW reports from this proceeding for total within county volume. This data has obviously been made public, but we are unable to check those against our members' data because of the proprietary nature asserted by the USPS of specific post office volume data.

USPS/NNA-T1-13. Please refer to Exhibit 3 of your testimony.

- a. Please fully describe the sources and calculation of each of the figures in this Exhibit.
- b. The exhibit states that the information on this Exhibit comes from "data compiled by NNA." Please explain fully how this data is obtained and compiled.
- c. Do the figures in the column entitled "Total Circulation" represent the number of copies, pieces, or some other measure?
- d. Please confirm that in 1995, the "Total Titles" figure increased by 737 over the "Total Titles" figure from 1994.
- e. Please confirm that in 1996, the "Total Titles" figure decreased by 538 from the "Total Titles" figure from 1995.
- f. Please fully explain any and all reasons for the increase and decrease described in subparts d. and e., above.
- g. Please fully explain why the "Total Circulation" figures over the three-year period 1994-1996 remain relatively constant, while the "Total Titles" figures fluctuate considerably.
- h. Please provide the number of titles and the total circulation between 1960 and 1996, for those titles which exist over the entire time period. If this information cannot be provided, please furnish it for the time period between 1986-1996.
- i. Please provide the number of members by year (1990-1996) that constitute your "Total Circulation."

j. Please subdivide the figures you provide in response to subpart i., above into the following categories:

- i. ANPA/NAA members exclusively;
- ii. NNA members exclusively; and
- iii. Both ANPA/NAA and NNA members.

If you cannot partition the figures in this manner please fully explain why not.

RESPONSE.

- a. My sources is the Facts About Newspapers Book. I believe the original source for each year to be the NNA database, but the original data is no longer available from NNA so we rely upon this secondary source.
- b. Member records are compiled from information provided by newspapers with their dues statements. Nonmember records come from a variety of sources: state press association directories, information from other national associations such as the American Court and Commercial Newspapers and private commercial directories, such as the one published by the Editor and Publisher company in New York.
- c. We use copies and pieces interchangeably in this context.
- d. Confirmed.
- e. Confirmed.
- f. I cannot justify either figure from personal knowledge. But I can offer several explanations for the figures. Some new newspapers came into the market. Others were closed or merged with other titles. In addition, NNA continued to update its database as it would find new sources of data, improving upon the accuracy program begun in 1992-1993.
- g. Again, I have no first hand knowledge of these figures, but I will note that because of the very small nature of many weekly

newspapers, it is possible to add and delete a number of titles without having a dramatic effect upon total weekly circulations. On the other hand, the entry into the market of a very large suburban weekly would cause the figures to increase considerably.

h. I am unable to provide the data. The NNA database in years prior to 1996 overwrote prior year data with each new year's updates. this is why I rely upon the secondary source in Facts About Newspapers.

i. Unknown. See my response to h.

j. I cannot. Although NNA and NAA cooperate occasionally for projects like the Facts About Newspapers, NNA is a distinct, autonomous and independent organization from the NAA/ANPA, and has been from the founding of the two associations. It may be noted that NAA is a participant in this proceeding and may be queried directly about its members.

USPS/NNA-T1-14. Please show how you calculate the "10 percent of all weekly newspapers' total circulation . . . found in the within county mailstream," as you indicate at page 13, line 8 of your testimony. Please include all assumptions you make in determining this percentage.

RESPONSE.

In responding to this interrogatory, I note that the line to which you refer contains a typographical error. The line should have read 20 percent of weekly newspapers' total circulation. An erratum will be filed.

The basis of my statement is my assumption that at least 22 percent of newspapers' total circulation is within county mail. I believe this number, which comes from the NNA survey, is low. In examining the USPS RPW figures for within county mail against what we believe we know about within county mail, I calculated 20 percent of 81,582,795 (the weekly circulation for 1996) times 52 (for weeks in the year) which equals 848, 461,068 and allows for only the most minimal use of within county mail by newsletters, city magazines, daily newspapers and other within county users. I note that there are numerous bi-weekly and tri-weekly publications. I believe the total within county mail volumes for the base year were 877 million.

USPS/NNA-T1-15. For each year fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide a list of publications published by Landmark Community Newspapers, Inc. and mailed at second-class regular or periodical regular rates.

RESPONSE.

That list is provided for the years available as Attachment 7. I cannot break down the usage of second-class regular rates for these titles over this time period.

USPS/NNA-T1-16. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please for each publication listed in response to interrogatory number 1 the following information:

- a. The number of issues mailed.
- b. The average number of editions (versions) per issue.
- c. An indication of the kind or type of each version.

RESPONSE.

- a. By agreement with the Postal Service, I am providing copies of an internal postal audit of LCNI newspapers, which we conduct each fall as NNA Library Reference 5. I am unable to provide similar data over the time period requested in this interrogatory within the time frame permitted by this docket.
- b. To my knowledge, each issue has only one edition.
- c. Please see my response to b.

USPS/NNA-T1-17. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the total volumes mailed at second-class regular or periodical regular rates for each publication listed in response to interrogatory number 1.

RESPONSE.

Please see my response to 16a. Copies designated "Adj. County" would be regular rate mail.

USPS/NNA-T1-18. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed at second-class regular or periodical regular required presort rates for each publication listed in response to interrogatory number 1.

RESPONSE.

I am unable to quantify these volumes by presort level.

USPS/NNA-T1-19. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed at second-class regular or periodical regular 3-digit city/5-digit presort rates for each publication listed in response to interrogatory number 1.

RESPONSE.

Please see my response to 18.

USPS/NNA-T1-20. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed at second-class regular or periodical regular carrier route presort rates for each publication listed in response to interrogatory number 1.

RESPONSE.

Please see my response to 18.

USPS/NNA-T1-21. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed at second-class regular or periodical regular destination delivery office discount rates for each publication listed in response to interrogatory number 1.

RESPONSE.

Please see my response to 18.

USPS/NNA-T1-22. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed at second-class regular or periodical regular destination SCF discount rates for each publication listed in response to interrogatory number 1.

RESPONSE.

Please see my response to 18

USPS/NNA-T1-23. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed at second-class regular or periodical regular high density discount rates for each publication listed in response to interrogatory number 1.

RESPONSE.

Please see my response to 18.

USPS/NNA-T1-24. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed at second-class regular or periodical regular saturation discount rates for each publication listed in response to interrogatory number 1.

RESPONSE.

Please see my response to 18.

USPS/NNA-T1-25. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the required presort volumes mailed at second-class regular or periodical regular prebarcoded letter size discount rates for each publication listed in response to interrogatory number 1.

RESPONSE.

Our newspapers do not use letter size mail.

USPS/NNA-T1-26. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed at second-class regular or periodical regular prebarcoded flat size discount rates for each publication listed in response to interrogatory number 1.

RESPONSE.

To my knowledge, our newspapers have not yet begun to use barcoding and will not begin until the FSM 1000's are deployed with barcode readers in their areas.

USPS/NNA-T1-27. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the 3-digit city/5-digit volumes mailed at second-class regular or periodical regular prebarcoded 3-digit letter size discount rates for each publication listed in response to interrogatory number 1.

RESPONSE.

Please see my response to 25.

USPS/NNA-T1-28. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the 3-digit city/5-digit volumes mailed at second-class regular or periodical regular prebarcoded 5-digit letter size discount rates for each publication listed in response to interrogatory number 1.

RESPONSE.

Please see my response to 25.

USPS/NNA-T1-29. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the 3-digit city/5-digit volumes mailed at second-class regular or periodical regular prebarcoded flat size discount rates for each publication listed in response to interrogatory number 1.

RESPONSE.

Please see my response to 26.

USPS/NNA-T1-30. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volume, total weight and advertising weight mailed at second-class regular or periodical regular rates for zones 1 & 2 for each publication listed in response to interrogatory number 1.

RESPONSE.

Please see my response to 16a. Most of the volumes in Adj. County are in Zones 1 and 2, but I am unable to break down volumes by Zone.

USPS/NNA-T1-31. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volume, total weight and advertising weight mailed at second-class regular or periodical regular rates for Zone 3 for each publication listed in response to interrogatory number 1.

RESPONSE.

I am unable to provide this information.

USPS/NNA-T1-32. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volume, total weight and advertising weight mailed at second-class regular or periodical regular rates for Zone 4 for each publication listed in response to interrogatory number 1.

RESPONSE.

I am unable to provide this information.

USPS/NNA-T1-33. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volume, total weight and advertising weight mailed at second-class regular or periodical regular rates for Zone 5 for each publication listed in response to interrogatory number 1.

RESPONSE.

I am unable to provide this information.

USPS/NNA-T1-34. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volume, total weight and advertising weight mailed at second-class regular or periodical regular rates for Zone 6 for each publication listed in response to interrogatory number 1.

RESPONSE.

I am unable to provide this information.

USPS/NNA-T1-35. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volume, total weight and advertising weight mailed at second-class regular or periodical regular rates for Zone 7 for each publication listed in response to interrogatory number 1.

RESPONSE.

I am unable to provide this information.

USPS/NNA-T1-36. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volume, total weight and advertising weight mailed at second-class regular or periodical regular rates for Zone 8 for each publication listed in response to interrogatory number 1.

RESPONSE.

I am unable to provide this information.

USPS/NNA-T1-37. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the average percentage of nonadvertising content mailed at second-class regular or periodical regular rates for each publication listed in response to interrogatory number 1.

RESPONSE.

I am unable to provide this information.

USPS/NNA-T1-38. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed on pallets at second-class regular or periodical regular rates for each publication listed in response to interrogatory number 1 by the following pallet presort levels:

- a. 5-digit pallets
- b. 3-digit pallets
- c. SCF pallets
- d. ADC/SDC pallets
- e. BMC pallets
- f. Mixed-BMC pallets

RESPONSE.

LCNI newspapers do not use pallets.

USPS/NNA-T1-39. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, for those volumes mailed on pallets at second-class regular or periodical regular rates for each publication listed in response to interrogatory number 1, please provide the average number of pieces per pallet by the following pallet presort levels:

- a. 5-digit pallets
- b. 3-digit pallets
- c. SCF pallets
- d. ADC/SDC pallets
- e. BMC pallets
- f. Mixed-BMC pallets.

RESPONSE.

Please see my response to 38.

USPS/NNA-T1-40. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, for those volumes mailed on pallets at second-class regular or periodical regular rates for each publication listed in response to interrogatory number 1, please provide the average pallet weight by the following pallet presort levels:

- a. 5-digit pallets
- b. 3-digit pallets
- c. SCF pallets
- d. ADC/SDC pallets
- e. BMC pallets
- f. Mixed-BMC pallets.

RESPONSE.

Please see my response to 38.

USPS/NNA-T1-41. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed in sacks at second-class regular or periodical regular rates for each publication listed in response to interrogatory number 1 by the following sack presort levels:

- a. Carrier route(s) sacks
- b. Firm sacks
- c. 5-digit sacks
- d. 3-digit unique city sacks
- e. 3-digit sacks
- f. SCF sacks
- g. ADC/SDC sacks
- h. Mixed sacks.

RESPONSE.

I am unable to break down volume by sacks.

USPS/NNA-T1-42. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, for those volumes mailed in sacks at second-class regular or periodical regular rates for each publication listed in response to interrogatory number 1, please provide the average number of pieces per sack by the following sack presort levels:

- (a) Carrier route(s) sacks
- (b) Firm sacks
- (c) 5-digit sacks
- (d) 3-digit unique city sacks
- (e) 3-digit sacks
- (f) SCF sacks
- (g) ADC/SDC sacks
- (h) Mixed sacks.

RESPONSE.

I am unable to break down volume by sacks.

USPS/NNA-T1-43. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed in trays at second-class regular or periodical regular rates for each publication listed in response to interrogatory number 1 by the following tray presort levels:

- (a) Carrier route(s) trays
- (b) Firm trays
- (c) 5-digit trays
- (d) 3-digit unique city trays
- (e) 3-digit trays
- (f) SCF trays
- (g) ADC/SDC trays
- (h) Mixed trays.

RESPONSE.

LCNI newspapers do not use trays for their flat size mail.

USPS/NNA-T1-44. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, for those volumes mailed in trays at second-class regular or periodical regular rates for each publication listed in response to interrogatory number 1, please provide the average number of pieces per tray by the following tray presort levels:

- (a) Carrier routes(s) trays
- (b) Firm trays
- (c) 5-digit trays
- (d) 3-digit unique city trays
- (e) 3-digit trays
- (f) SCF trays
- (g) ADC/SDC trays
- (h) Mixed trays.

RESPONSE.

LCNI newspapers do not use trays for flat sized mail.

USPS/NNA-T1-45. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed in bundles at second-class regular or periodical regular rates for each publication listed in response to interrogatory number 1.

RESPONSE.

I am unable to break down volumes by bundles.

USPS/NNA-T1-46. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, for those volumes mailed in bundles at second-class regular or periodical regular rates for each publication listed in response to interrogatory number 1, please provide the average number of pieces per bundle.

RESPONSE.

I am unable to break down volumes by bundles.

USPS/NNA-T1-47. For each fiscal year (or calendar year if fiscal year is unavailable) from 1986 to present, please provide the volumes mailed at second-class regular or periodical regular rates that were plant loaded in USPS provided transportation for each publication listed in response to interrogatory number 1.

RESPONSE.

LCNI newspapers do not use plant loading options.

USPS/NNA-T1-48. Please also provide all data furnished in response to interrogatories 15 through 47 above in electronic format.

RESPONSE.

Answers to interrogatories 15 through 16 are provided on diskette filed as NNA Library Reference 5.

USPS/NNA-T1-49. Please fully define the term "partial census," as you use it at page 11, line 16 of your testimony.

RESPONSE.

We attempted to receive a response from every NNA member newspaper. Only 836 responded. We did not attempt to measure responses through any sort of sampling methodology.

NNA T-1
ATTACHMENTS 1-7

National Newspaper Association
Member Newspapers by Paid Circulation Range
 January 29, 1998

From	To	# Daily Papers	# Nondaily Papers	Total Papers	Daily Paper Circulation	Nondaily Paper Circulation
1	999	12	271	283	7,731	176,566
1,000	1,999	16	576	592	22,094	859,265
2,000	2,999	29	535	564	73,345	1,314,446
3,000	3,999	38	431	469	130,465	1,484,553
4,000	4,999	45	305	350	202,401	1,353,628
5,000	7,999	93	462	555	585,594	2,833,326
8,000	10,999	73	166	239	685,009	1,516,414
11,000	15,999	63	101	164	808,369	1,306,921
16,000	25,999	62	64	126	1,234,069	1,243,731
26,000	39,999	39	20	59	1,289,392	612,242
40,000	49,999	15	11	26	648,904	498,855
50,000	59,999	8	6	14	439,497	325,078
60,000	up	24	10	34	6,149,663	914,951
Total:		517	2,958	3,475	12,276,533	14,439,976

[illegible]

1. Name of Newspaper [REDACTED]
 Name of Group, if any [REDACTED]

2. Address [REDACTED] Phone No. [REDACTED]
 City [REDACTED] FAX No. [REDACTED]
 State [REDACTED] Zip [REDACTED] Congressional District [REDACTED]

3. Frequency: M T (W) TH F (SA) SU (circle all that apply)

4. Total Circ. 3216 (100%) Paid Circ. 3216 (%) Free Circ. 3216 (%)

5. Number distributed per issue by
 Second Class Mail 500 716
 Third Class Mail
 Carrier Delivery 900
 Newsstands/Racks 1600

6. Of Second Class mail how much is In-County? 326 (Line 51, 3541-R)
 Out-of-County? 390 (Line 28, 3541-R)
 Requester? [REDACTED] (regular rate)

7. Of In-County Mail how much is DU Entry? 326 (Line 36, 3541-R)
 All other Entry? [REDACTED] (Line 37, 3541-R)

8. Of your DU Entry, how much is by PVDS Entry? NONE Additional Entry? NONE
 (PVDS means Plant-Verified Drop Shipment)

9. Of In-County Mail, how much is CAR-RT Sort? NONE (Line 48, 3541-R)
 125 W/S? [REDACTED] (Line 49, 3541-R)
 Saturation? [REDACTED] (Line 50, 3541-R)

10. Annual average lb. weight of an In-County piece? 125

11. Annual average lb. weight of Out-of-County piece? 1875 (if separate zoned 3541-R)

12. Does your paper offer a separate non-subscriber product (shopper, etc.)? Yes X No [REDACTED]

13. Total Non-Subscriber Product Circulation 8300

14. Frequency: M T (W) TH F SA SU (circle all that apply)

15. Number distributed through
 Third Class Mail 500
 Carrier Delivery 4000
 Racks/Store Pickup 4250

16. Of Third Class Mail, how much is DDU Entry? NONE
 SCF Entry? NONE
 None Entry? NONE

17. Of Third Class Mail, how much is Saturation W/S? NONE
 125-pc. W/S? NONE
 Carrier Route? NONE

18. Annual average lb. weight of a piece? [REDACTED]



LANDMARK

COMMUNITY NEWSPAPERS, INC. P.O. BOX 549 SHELBYVILLE, KY, 40065-0549, AREA CODE 502-633-4334

ATTACHMENT 4

January, 1995

Dear NNA member publisher,

Please join us in a New Year's resolution to gain better understanding of the mailing and distribution practices of community newspapers.

On the reverse is a simple, one-page survey that could help determine the fate of complex proposals by the U.S. Postal Service to "reclassify" the mail structure under which publications have operated for years. A rate case to do this will be filed soon. While it won't raise overall postal revenues, it will create winners and losers by changing the rules for mail acceptance.

The proposals, to be acted upon by the independent Postal Rate Commission, include changes in both first, second, and third class mail. The current drafts of proposals for second class would benefit mostly large publications, more finely sorted and perhaps automatable.

NNA's Postal Committee and staff, led by President & CEO Tonda Rush, needs to know how our members distribute and mail. We need to know which work-sharing discounts are most used, both in second and third class, to represent our members better in this and future rate cases.

Please take the time, right now, to complete the questionnaire fully. Or ask appropriate staff to complete and mail it to my office, c/o:

NNA Survey, Box 549, Shelbyville, KY 40066.

My company is donating the survey work, utilizing our research director and administrative staff, as an in kind donation to the Newspaper Alliance for Fair Postal Rates.

If you have questions about how to complete any part of the survey, call me at 502-633-4334, or Larry Graves at 703-907-7916.

And please don't forget to renew your 1995 NNA membership. While you're at it, please make an extra check to the Alliance.

Thank you.

Max Heath, Chairman
NNA Postal Committee

U.S. Weekly Newspapers

Total Number and Circulation 1960-1996

Year	Total Weekly Newspapers ¹	Average Circulation	Total Weekly Circulation
1960	8,174	2,566	20,974,338
1965	8,061	3,106	25,036,031
1970	7,612	3,660	27,857,332
1975	7,612	4,715	35,892,409
1980	7,954	5,324	42,347,512
1985	7,704	6,359	48,988,801
1986	7,711	6,497	50,098,000
1987	7,600	6,262	47,593,000
1988	7,498	6,894	51,691,451
1989	7,606	6,958	52,919,846
1990	7,550	7,309	55,181,047
1991	7,476	7,323	54,746,332
1992	7,417	7,358	54,577,034
1993	7,437	7,629	56,734,526
1994 ²	7,176	10,975	78,763,120
1995 ²	8,453	9,425	79,668,266
1996 ²	7,915	10,307	81,582,295

¹Includes paid- and free-circulation newspapers.

²1994-1996 not comparable to prior years due to change in information collection procedures by NNA.
Source: National Newspaper Association

To: Max Heath	From: Max Heath
Co: NNA	Co: LCNE



RECORDS OFFICE

UNITED STATES POSTAL SERVICE
475 L'ENFANT PLAZA SW ROOM 9831
WASHINGTON DC 20260-5240

April 30, 1993

Mr. Max Heath
Vice President/Executive Editor
Landmark Community Newspapers
P.O. Box 549
Shelbyville, KY 40066-0549

Dear Mr. Heath:

Enclosed is a copy of a recent Freedom of Information Act appeal decision concerning the disclosure of second-class mailing statements.

Please give John Gunnels a call at 202-268-4873 if we can be of further help.

Sincerely,

Betty E. Sheriff
Betty E. Sheriff
USPS Records Officer

Enclosures

4/30



Max,

This decision is a major change in PS
policy. It means that we can now
disclose all of our records to the public
if we want to. This is a big deal.
I hope you will find this interesting.
I'll call you in a few days.

Thanks

ATTACHMENT 6 (6 Total pages)



UNITED STATES POSTAL SERVICE
475 L'ENFANT PLAZA SW
WASHINGTON DC 20540

April 26, 1993

Edward J. Klaris, Esq.
Lankenau Kovner & Kurtz
Attorneys at Law
1740 Broadway
New York, New York 10019-4380

3541 —

Denied
Policy change —

Dear Mr. Klaris:

This responds to the letter dated December 29, 1992 in which a member of your firm, Laura R. Handman, Esq., appealed, on behalf of your firm's client, Mr. Gopal Raju, the denial of Mr. Raju's request for information pursuant to the Freedom of Information Act, 5 U.S.C. § 552. In a letter dated November 20, 1992 Mr. Raju requested copies of second-class mailing statements, Postal Service Form 3541, submitted for mailings of News India in New York, New York on October 2, 1992 and during the time period of fifty-one weeks preceding that date. Yvonne Guess, Consumer Affairs Representative, denied Mr. Raju's request in a decision dated November 30, 1992. For the reasons stated below, we are upholding Ms. Guess's decision.

The Freedom of Information Act (FOIA) generally requires Government agencies to disclose records within their possession. The Act contains several exemptions, however, that permit agencies to withhold certain records. 5 U.S.C. § 552(b)(1)-(9). In this case, the requested records are exempt from disclosure pursuant to FOIA exemptions 3 and 4 and 39 U.S.C. § 410(c)(2).

Under 39 U.S.C. § 410(b)(1), the Postal Service is generally subject to the requirements imposed by the FOIA. Subsection (c)(2) of section 410 provides, however, that subsection (b)(1) does not require the disclosure of "information of a commercial nature, including trade secrets, whether or not obtained from a person outside the Postal Service, which under good business practice would not be publicly disclosed." This section was passed as part of the Postal Reorganization Act, 39 U.S.C. §§ 101, et seq., (1970), which established the Postal Service on a corporate model and generally directed it to conduct its operations in accordance with sound business principles.

FOIA exemption 3 provides that agencies may withhold records that are exempted from disclosure by another statute that "(A) requires that the matters be withheld from the public in such a manner as to leave no discretion on the issue, or (B) establishes particular criteria for withholding or refers to particular types of matters to be withheld." 5 U.S.C. § 552(b)(3). We consider that 39 U.S.C. § 410(c)(2) operates both independently and as an exempting statute within the scope of exemption 3(B).

The information contained on a mailing statement submitted for a publication consists primarily of the number of copies mailed, the weight of the mail pieces, and the applicable postage. Many publishers object to the release of their mailing statements because they do not want their competitors to have access to the information contained on the statements. In recent years, the Postal Service has been faced with increasing competition from so-called "alternate delivery" firms: private firms that deliver mailable matter, including second-class publications. Because the FOIA does not apply to private businesses, alternate delivery firms are not required to respond to requests from members of the public for information pertaining to their customers. Therefore, if the Postal Service releases mailing statements pursuant to the FOIA, it will be releasing information that would not be likely to be disclosed by an alternate delivery firm.

It is reasonable to expect that a business would suffer competitive harm if it were to disclose information submitted by its customer, against the customer's wishes, when similar information would not be disclosed by firms in competition with the business. Accordingly, we consider that the disclosure of mailing statements submitted for a publication is clearly contrary to good business practice (when the publisher who submitted the statements objects to disclosure.) In this case, the publisher of News India has objected to the release of their mailing statements. Therefore, the requested records in this case are exempt from disclosure pursuant to FOIA exemption 3 and 39 U.S.C. § 410(c)(2).

We also consider the requested records to be exempt from disclosure pursuant to FOIA exemption 4, which permits agencies to withhold "trade secrets and commercial or financial information obtained from a person and privileged or confidential" 5 U.S.C. § 552(b)(4). In accordance with Postal Service regulations, 39 C.F.R. § 265.8, we have notified the publisher of News India of your request, and we afforded them the opportunity to state their reasons for objecting to the release of their mailing statements. (After considering their response, we have concluded that the mailing statements qualify for protection under exemption 4.)

✓
exempt
upon
request

Until recently, the generally accepted standard for determining whether information is "confidential" within the meaning of exemption 4 was the test enunciated by the District of Columbia Circuit in National Parks and Conservation Association v. Morton, 498 F.2d 765, 770 (D.C. Cir. 1974): whether disclosure of the information would be likely to cause substantial harm to the competitive position of the person who submitted the information. In a recent decision, however, the District of Columbia Circuit narrowed the scope of the National Parks test. In Critical Mass Energy Project v. Nuclear Regulatory Commission, 975 F.2d 871 (D.C. Cir. 1992) (en banc), cert. denied, ___ U.S. ___ (1993) the court held that the National Parks test continues to apply to information submitted to the Government "under compulsion," but, when information is submitted "on a voluntary basis," the information need not satisfy the test. Id. at 878-80. When information is submitted voluntarily, the court held, it qualifies as "confidential" for the purpose of exemption 4 "if it is of a kind that would customarily not be released to the public by the person from whom it was obtained." Id. at 879.

Voluntary
because
mail use
voluntary

Publishers generally are not required to use the Postal Service to distribute their publications; in most cases, they may employ an alternate delivery firm. Under these circumstances, we consider that mailing statements submitted for publications are submitted "on a voluntary basis" for the purpose of exemption 4 as interpreted in Critical Mass. In objecting to the release of the mailing statements in this case, the publisher of News India stated that they do not customarily disclose the information contained on the statements to the public. Accordingly, the requested records in this case are exempt from disclosure pursuant to FOIA exemption 4.

What
about
3526?

You suggest that the Postal Service should disclose mailing statements submitted by second-class publishers, including the publisher of News India, to enable the public to verify circulation claims made by publishers. (For the following reasons, we do not consider that this constitutes grounds for requiring disclosure of mailing statements pursuant to the FOIA.)

(Mailing statements are not intended to show the total circulation of second-class publications) Rather, mailing statements are used to compute postage, see Domestic Mail Manual (DMM) § 463.11, and they show only the number of copies that are mailed at particular post offices on particular dates. Therefore, because many publishers distribute copies of their publications outside the mails, or mail copies on different dates or at different post offices, mailing statements may not be reliable indicators of a publication's total circulation. In this respect, [we note that Ms. Handman states in her letter that "mailing statements must contain the total number of copies mailed and the number of copies sent to dealers and carriers."]

(Mailing statements do not, however, show the number of copies distributed by dealers and carriers other than the Postal Service.)

Postal regulations require that second-class publications annually submit certain circulation information on Postal Service Form 3526, "Statement of Ownership, Management, and Circulation," and the regulations also require that publications annually publish a statement of ownership which includes the information submitted on Form 3526. See DMM § 425.7. Form 3526, which is publicly available, contains more complete information concerning circulation than the information contained on mailing statements. Ms. Handman states in her letter that mailing statements should be released because the information contained on Form 3526 is "derived from" mailing statements. Mailing statements, however, contain information that is more specific than that contained on Form 3526 because they show the number of copies mailed on particular dates from particular post offices, and, as stated above, they do not contain complete circulation information because they do not show the number of copies distributed outside the mails. (For these reasons, we do not consider that the public availability of information contained on Form 3526 prevents the Postal Service from withholding mailing statements pursuant to applicable FOIA exemptions and 39 U.S.C. § 410(c)(2).)

[The core purpose of the FOIA is to provide the public with information about the conduct of Government agencies, and requests seeking information about private entities do not further that purpose.] See Department of Justice v. Reporter's Committee for Freedom of the Press, 489 U.S. 749, 772-73 (1989). See also Hopkins v. HUD, 929 F.2d 81, 88 (2d Cir. 1991) ("whatever public interest there may be in knowing whether private parties are violating the law is not the sort of public interest advanced by the FOIA . . ."). Thus, learning about the distribution of a particular publication, or verifying a publisher's circulation claims, are not purposes that favor disclosure under the FOIA. The public interest in knowing certain information concerning second-class publications is best served by disclosure of the information contained on Form 3526, the disclosure of which is required by statute. See 39 U.S.C. § 3685. A typical mailing statement does not contain meaningful information concerning the conduct of the Postal Service or its employees.¹⁴ Therefore, having concluded that the mailing

¹⁴ The Postal Service periodically verifies publishers' records to determine whether publications continue to qualify for second-class privileges. See DMM § 425.4. Such verifications involve the examination of records other than mailing statements, including records maintained by publishers, and mailing statements themselves are not adequate to verify a publisher's

(continued...)

5

statements in this case qualify for protection under FOIA exemptions 3 and 4 and 39 U.S.C. § 410(c)(2), we do not consider that your interest in verifying the publisher's circulation claims warrants disclosure of the statements.

This is the final decision of the Postal Service on your right of access pursuant to the Freedom of Information Act to these records. You may seek judicial review of this decision by bringing suit for that purpose in the United States District Court for the district in which you reside or have your principal place of business, the district in which the records are located, or in the District of Columbia.

For the General Counsel,

Margaret O'Connell

Margaret O'Connell
Attorney
Ethics and Information Law

² (...continued)
qualification for second-class privileges. See DMM §§ 425.2, 425.3, 425.5.

PUBLICATIONS OF LANDMARK COMMUNITY NEWSPAPERS, INC.

September, 1997
Circulation

Name of Publication

City of Publication

SHOPPERS

Carroll County Times Express	Westminster, Maryland	22,172
Bedford Bullet	Bedford, Virginia	20,189
Marketplace	LaGrange, Kentucky	17,760
Chronicle Express (Wednesday)	Crystal River, Florida	16,452
Shopper Plus	Shelbyville, Kentucky	16,025
Roane County News-Record	Kingston, Tennessee	16,000
Pioneer News Extra	Shepherdsville, Kentucky	15,410
Harrison Shopper	Cynthiana, Kentucky	15,300
Shoppers Advertising Packet	Elizabethtown, Kentucky	14,471
Gazette Guide	New Albany, Mississippi	12,491
Kentucky Standard Extra	Bardstown, Kentucky	12,152
Rocky Top Trader	Wartburg, Tennessee	12,000
Twin County ADvantage	Marion/Washington Counties, KY	11,738
Anderson Advertiser	Lawrenceburg, Kentucky	9,721
Fayette County Shopper	Vandalia, Illinois	9,260
Lincoln's Country	Rockport, Indiana	9,031
River City Trading Post	Carrollton, Kentucky	8,875
CKNJ Buyers Guide	Campbellsville, Kentucky	8,400
LincolnLand	Tell City, Indiana	7,900
Henry County Shopper	New Castle, Kentucky	7,492
Lancaster AD-Vantage & Sunday Extra	Lancaster, South Carolina	7,412
Town & Country Shopper	Glenwood, Iowa	6,735
Express Extender	Red Oak, Iowa	6,555
Gazette Plus	Galax, Virginia	6,125
Democrat-Plus	Mount Vernon, Indiana	6,027
Riverland Shopper	Dunnellon, Florida	3,600

Shopper Circulation

299,293

FREE WEEKLY

Inside the Turret	Elizabethtown, Kentucky	19,334
Community Times	Reisterstown, Maryland	11,030
Beverly Hills Visitor	Beverly Hills, Florida	10,750
Grant County Express	Williamstown, Kentucky	10,550
South Marion Citizen	Ocala, Florida	10,200

Free Weekly Circulation

61,864

FREE SPECIAL PUBLICATIONS

Guide to New Homes	7 Counties, MD (5 times year)	17,890
Baltimore/Harford/Cecil Homes	Baltimore, Maryland (bi-weekly)	15,810
Frederick/Washington County Homes	Frederick, Maryland (bi-weekly)	14,565
Eastern Panhandle Real Estate Guide	Eastern Panhandle, WV (monthly)	14,000
Real Estate News Hernando/Pasco	Crystal River, Florida	11,500
Central Maryland Homes	Westminster, Maryland (bi-weekly)	11,316
Real Estate News Citrus	Crystal River, Florida	11,000
Homes of York/Adams Counties	York/Gettysburg, PA (monthly)	10,450
Let's Tour America	17 states (each twice yearly)	10,000
Central KY Homes Real Estate	Elizabethtown, Kentucky	9,720
Doctor's Office Magazine	Beverly Hills, Florida	5,000
Eastern Panhandle Homes	Eastern Panhandle, WV	4,000

Free Special Pubs Circulation

135,251

GRAND TOTAL CIRCULATION

764,312

ATTACHMENT 7 (2 Total pages)

PUBLICATIONS OF LANDMARK COMMUNITY NEWSPAPERS, INC.

September, 1997
Circulation

Name of Publication

City of Publication

DAILY

Citrus County Chronicle	Crystal River, Florida	22,899
Carroll County Times	Westminster, Maryland	22,825
News-Enterprise	Elizabethtown, Kentucky	16,346
Los Alamos Monitor	Los Alamos, New Mexico	5,049

TRIWEEKLY

Lancaster News	Lancaster, South Carolina	13,231
Roane County News	Kingston, Tennessee	8,647
Kentucky Standard	Bardstown, Kentucky	8,356
Gazette	Galax, Virginia	8,286

SEMIWEEKLY

Sentinel-News	Shelbyville, Kentucky	8,015
Perry County News	Tell City, Indiana	7,231
Central Kentucky News Journal	Campbellsville, Kentucky	6,989
Pioneer News	Shepherdsville, Kentucky	6,545
New Albany Gazette	New Albany, Mississippi	6,301
Chester News & Reporter	Chester, South Carolina	6,285
Leader-Union	Vandalia, Illinois	5,162

WEEKLY

Bedford Bulletin	Bedford, Virginia	8,200
Oldham Era	LaGrange, Kentucky	7,131
Casey County News	Liberty, Kentucky	6,756
Lebanon Enterprise	Lebanon, Kentucky	6,025
Cynthiana Democrat	Cynthiana, Kentucky	5,881
Anderson News	Lawrenceburg, Kentucky	5,823
Journal-Democrat	Rockport, Indiana	5,541
Grant County News	Williamstown, Kentucky	5,473
Red Oak Express	Red Oak, Iowa	4,612
Morgan County News	Wartburg, Tennessee	4,366
Springfield Sun	Springfield, Kentucky	4,221
Henry County Local	New Castle, Kentucky	4,047
LaRue County Herald News	Hodgenville, Kentucky	4,009
Opinion-Tribune	Glenwood, Iowa	3,734
Sumter County Times	Bushnell, Florida	3,635
News-Democrat	Carrollton, Kentucky	3,373
News-Herald	Owenton, Kentucky	3,348
Mount Vernon Democrat	Mount Vernon, Indiana	3,304
Spencer Magnet	Taylorsville, Kentucky	2,594
Riverland News	Dunnellon, Florida	2,252
Trimble Banner Democrat	Bedford, Kentucky	1,689
Rockwood Times	Rockwood, Tennessee	507
Harriman Record	Harriman, Tennessee	416

TOTAL 249,104

PAID SPECIAL PUBLICATIONS

The Cats' Pause	Lexington, Kentucky	18,800
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TOTAL PAID CIRCULATION	267,904
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CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the Rules of Practice.

February 5, 1998


Jenny Boone